IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX APPLICATION NO.18 OF 2001
AND
INCOME TAX APPLICATION NO.19 OF 2001

Credit Agricole Indosuez,
formerly known as Banque
Indosuez, a French Bank
having its office in India
at Hoechst House, 11th,
12th & 14th Floor,
Nariman Point,
Mumbai - 400 021. .. Petitioner.

V/s.

1. The Commissioner of
Income-tax City-III,
Mumbai having his
office at Aayakar
Bhavan, M.K. Marg,
Mumbai - 400 020

2. The Dy. Commissioner
of Income-tax, Special
Range 27, Mumbai having
his office at Aayakar
Bhavan, M.K. marg,
Mumbai - 400 020. .. Respondents.

Mr.Poras Kaka i/by Crawford Bayley & Co. for the applicant.

Mr.Parag Vyas for the respondents.

CORAM : F.I. REBELLO &
J.P. DEVADHAR, JJ.

DATED : 21ST AUGUST, 2007.

ORAL ORDER (Per J.P. Devadhar, J.)

1. In both these applications filed by the applicant-assessee under Section 256(2) of the Income Tax Act, 1961, the following common questions of law are raised :

1. Whether on the facts and in the circumstances of the case, the Tribunal was justified in law in holding that the interest paid to / received from Head Office or branches represents expenditure / income allowable/taxable in computing the income of the Petitioner."

2. Whether on the facts and in the circumstances of the case the Tribunal ought to have held that the interest paid to / received from Head Office or branches amounts to payment to / receipt from self and hence not taxable ?

2. Counsel on both sides agree that similar questions raised by the applicant-assessee, the Income Tax Appeal No.653 of 2004 has been admitted by this Court today i.e. 21-8-2007 and, therefore, the substantial questions set out herein do arise in the present applications also.

3. Accordingly, both these applications are allowed. The Tribunal is directed to forward statement of case raising the aforesaid questions as expeditiously as possible.

4. Both the applications are disposed of accordingly.

(J.P. DEVADHAR, J.) (F.I. REBELLO, J.)